

STATE WORKFORCE INVESTMENT BOARD

COLONIAL INN, HELENA
OCTOBER 27 & 28, 2005

MINUTES

BOARD MEMBERS PRESENT: Chair Dan Miles, John Beaudry, Rep. Arlene Becker, Dave Crum, Vice-Chair Marty Copps, Thomas Curry, Michael DesRosier, Kirk Hammerquist, Rep. Llew Jones, Keith Kelly, Maureen Kenneally, Sen. Lane Larson, Robbe Lindsay, Teresa Wall-McDonald, Rodney Miller, Michael O'Neill, Arlene Parisot, Tony Preite, Gail Richardson, Alan Skari, Karen Sullivan, and Linda Woods.

BOARD MEMBERS ABSENT: Shirley Ball, Evan Barrett, Michael Grove, Jacquie Helt, Julie Jordan, Jody Messinger, Joan Miles, Sen. Gary Perry, John Prinkki, Jeff Rupp, Fred Sargeson, and Don Taylor.

STAFF: Jessica Snyder, Pam Watson, and Chris Wilhelm.

GUESTS: Mary Berg, Janet Snowberger, Linda Moodrey, Sharon Kearnes, Rebecca Clark, Cherelee Martin, Al Ekblad, Mike Nephew, Kate Kahle, Wolfgang Ametsbichler, Connie Kinsey, Sara Fox, Darrel Hannum, Kathy Lundman, Annette Miller, Todd Younkin, Leslie Duffy, Jasyn Harrington, Sheila Hogan, Suzanne Ferguson, Leslie DeWitt, Cathy Shenkle, Gary Warren, Polly LaTray, Theresa McCarthy, Stephanie Gray, Alyssa Townsend, Lisa Newman, Tom Hayes, Deb Buxbaum, Jay Reardon, Elissa Mitchell,

I. Call to Order

Chairman, Dan Miles, called the meeting to order at 9:10 am.

II. Welcome and Introductions

Chairman Miles welcomed everyone to the meeting and introduced two new SWIB staff members, Jessica Snyder and Chris Wilhelm.

Roll call was taken. Chairman Miles announced that Governor Schweitzer had appointed Marty Copps as Vice-Chair.

III. Housekeeping

Pam Watson reviewed the new documents. She stated that there were some agenda changes and revisions. The Transition Plan presentation was moved to 1:00 pm and the LMI presentation was moved to 2:30. Agenda revisions also included combining the Accountability and Regulatory committees into the new Workforce System Committee, and adding the One-Stop Development Committee. Ms. Watson then reviewed the board member binder and its contents.

Chairman Miles stated that the meeting was being taped but that the tapes were not the official record of the meeting. They will be used only to ensure the accuracy of minutes. Once the minutes are approved and become a matter of public record, the tapes are destroyed. Chairman Miles reminded the Board and members of the audience that the Board conducts business according to Robert's Rules of Order.

IV. Approval of Agenda

Chairman Miles asked for a motion to approve the agenda. Gail Richardson moved to approve the agenda, John Beaudry seconded, and the motion was unanimously approved.

V. Approve Meeting Minutes

Ms. Watson mentioned that there was an error in the September 20, 2005 minutes. Mr. Prinkki was incorrectly listed as Senator Prinkki. It was requested that the attendance be reviewed and corrected for both the August 30, 2005 and September 20, 2005 minutes.

Vice Chairperson, Marty Copps asked for clarification of the September 20, 2005 minutes regarding how many members were employed at Montana Job Training Partnership (MJTP). Ms. Watson clarified that Lisa Newman was representing 13 bargaining unit members, but MJTP has 18 staff.

Mike DesRosier moved to approve both sets of minutes with the above-mentioned clarifications and corrections, John Bearudry seconded the motion, and the motion carried unanimously.

VI. History / Background of Workforce Investment Act (WIA)

Ms. Watson gave a short overview of the history of the WIA.

VII. WIA 2-Year State Plan Strategies

Ms. Watson reviewed the SWIB's role and major responsibilities as defined in the 2-Year State Plan, which created the new single statewide planning area structure. Chairman Miles stated that the roles and responsibilities look overwhelming and asked how they would be handled. Ms. Watson explained the various options, and recommended that the committees address the tasks and projects, and then make recommendations to the Board or to the Executive Committee for action.

Ingrid Childress gave an update on State Agency Management Team and the National Governor's Association (NGA) Academy. She stated that a partnership is needed, but that an agreement was signed which included sharing data, which is a step in the right direction.

Arlene Parisot gave an overview of the Integrated Performance (IPI) Project. It was presented to the State Agency Management Team (SAM) on Tuesday. The SAM Team supported the IPI project but had questions regarding housing and funding of the

project. A Request for Proposal (RFP) will be issued to the commissioner's of the agencies represented on the SAM Team. John Beaudry asked how business needs were being identified and collected. Ingrid Childress stated the Research and Analysis Bureau of the Department of Labor and Industry (DLI) produces projections. Mr. Beaudry asked how the needs of business and industry are merged into the education system. Ms. Parisot stated that this is done through partnerships and career clusters. Ms. Childress stated that the Registered Apprenticeship Program is a good example. Businesses have a need to 'grow' their own businesses and are seeking help putting together apprenticeship programs through the 2-year colleges. Mr. Beaudry asked if organized labor was involved. Ms. Childress stated that they were. Ms. Parisot said that they are working with associations and labor to standardize curriculums at 2-year colleges so contractors know that employees who have completed these courses are trained and qualified. MSU Northern has worked with DLI and unions to develop apprenticeship programs with credit attached in electrical and plumbing curriculums. MSU Billings just received a 2 million dollar grant, the only funding in Montana, for the Montana Built Program. Chairman Miles commended the State for trying to share data that will avoid duplication of services. He spoke about Ed Gorman's presentation at the Governor's Energy Conference. Mr. Gorman's presentation was about economic development and workforce training. Chairman Miles stated that the impact on communities is great. There are energy projects in Eastern Montana that will bring workers in, but they will need training due to the sparse population. People are sharing information, but it needs to be improved. There could be something emerging quickly in this state and we don't want to reach out to other states to find workers. We want workers in Montana from Montana. Ms. Parisot stated that the 2-year institutions are positioned well, but that it requires funds to set up new curriculums. By working closely with businesses and industries, the 2-year institutions can develop a program and have it running for two years before receiving full board approval. Tom Curry asked how a worker is retained in Montana after being trained in Montana, and what is the current retention given Montana's low wages. Ms. Parisot stated that if there were no demand, a program would not move forward. Chairman Miles asked that any remaining questions be held in order to let the Governor's staff speak.

Chairman Miles introduced Major Robinson, Emily Lipp-Sirota and Anna Whiting-Sorrell from the Governor's Office. Ms. Whiting-Sorrell spoke regarding WIA Section 166. Because reservations have some of the highest unemployment rates, tribes need to be part of a Memorandum of Understanding (MOU) with the State. Mr. Robinson passed out correspondence sent to the Governor's office from various tribal members. He stated that the timeline for when MOUs must be signed should be confirmed. The Governor's Office of Economic Opportunity has committed to meeting with all economic development organizations. Ms. Whiting-Sorrell anticipated bringing the Section 166 grantees together. Keith Kelly referred to the map of the Montana Association of Counties (MACo) districts and stated that there is a tribal college in each MACo district. One of the goals talked about with developing One-Stops is to involve tribal agencies at the local level. The umbrella MOU still needs to be done with the State. He stated that an agreement might need to be in place before the next Board meeting. Ms. Whiting-Sorrell stressed the urgency of signing the MOU and asked that the State Board form a

committee to work with the Section 166 grantees. Additional questions can be directed to Ms. Whiting-Sorrell, Mr. Robinson, and Ms. Lipp-Sirota through Commissioner Kelly. Chairman Miles stated that he would assign a SWIB task force to work on the MOU with the tribes.

Senator Larson revisited the apprenticeship programs discussion. He stated that unionized apprenticeship programs were more successful than non-unionized apprenticeship programs and wanted information regarding the partnership between 2-year institutions and organized labor. Ms. Parisot said that labor partners review the curriculum and training. A lot of curriculum needs to be purchased from out-of-state sources like North Dakota, and that Montana's 2-year institutions need to be utilized. She would like to see endorsement from a 2-year apprenticeship be converted to credits toward a 4-year program. Kirk Hammerquist stated that contractor associations are working with wonderful 2-year apprenticeship programs. He mentioned a new non-profit organization for scholarships so that people can attend 2-year apprenticeship programs. Commissioner Kelly spoke about inviting trades and college leadership to a meeting in the next few weeks to get on the same page. Senator Larson said that if Montana's contractors had better wages and benefits, Montana would have a better retention rate. A three-month bridge is needed to ensure a stable workforce. Chairman Miles stated that there would be an apprenticeship committee to address these issues, and indicated that workers need to be better prepared for the apprenticeship programs. Apprenticeship programs need to be expanded to include industries that are not currently involved in the program. Mr. Beaudry asked if agencies that permit large projects were at the table. Ms. Childress stated that they were not. Mr. Beaudry said that Department of Environmental Quality projects affect the socio-economic aspect. Construction and workforce need to be included in environmental impacts. Commissioner Kelly had some concentric circle diagrams that showed how organizations all work together on projects. He stated he would present them tomorrow.

VIII. Public Comment

Al Ekblad of Montana State AFL-CIO stated that apprenticeships have traditionally been built around negotiated projects. The AFL-CIO would be good to work with on major facility projects. When coordinating training and need for training, consider that in the case of construction, workers will go where the hours, seasons and unemployment benefits are best. Montana's skilled workers need to be brought home.

The Board recessed for lunch.

Mr. Hammerquist was able to obtain some information from the contractor's association during the lunch break. He handed out an overview of the apprenticeship program. Chairman Miles stated that this document would be brought to the apprenticeship committee at a later date for some discussion.

IX. Transition Plan – Single Statewide Planning Area Presentation

Ms. Childress spoke about the plan in progress for a seamless transition. An automated system will be developed to replace Montana Management Information

System (MTMIS). The WIA module will transition into MontanaWorks. Service providers will need training on data entry. Another piece is to move service provider agreements from MJTP to the Department of Labor and Industry. The Department is looking at employees and positions needed for staffing. The Eligible Training Provider list will transfer from the local board to the State Board. Staff is working on closing monitoring reports. By the end of December, provider agreements will need to be signed, close out of finances will be completed, and the SWIB will begin developing a Youth Council.

Chairman Miles asked about the RFP process. Ms. Childress stated that RFP is a process for competitively procuring services. WIA federal mandate and state procurement policies need to be met. New provider agreements will need to be in place by July 1, 2006 for the Adult, Youth and Dislocated Worker programs. Tom Curry asked if all contracts that are in place now could be assumed by the State. Ms. Childress stated that all service provider agreements that are sound would be absorbed after legal staff reviews them. Contracts for administrative services (for example audit or legal services) would not be absorbed. Teresa Wall-McDonald suggested that a committee monitor the conversion process to track costs and services provided for reporting to the Board and the Governor. Chairman Miles stated that the Executive Committee would be responsible for that tracking. Mr. Hammerquist asked how long of a time period contracts were normally written. Ms. Childress stated that agreements are written for one year, and that the provider agreements are currently mid-year. Chairman Miles said that the RFP process could be cumbersome and costly. He wanted the state to advise the Board with ways to streamline the process and save money.

Chairman Miles spoke about the four existing One-Stop Centers. He mentioned that establishing One-Stop Centers can be a lengthy process and wanted to know if the process could be expedited and if there would be technical assistance available. Ms. Childress stated that criteria were already established in the State Plan, and it was the Department's intention to have additional One-Stop Centers established before June 30, 2006. A process was already in place and should be utilized. She said that technical assistance and training were being put together with the USDOL and it is possible that there will be additional funding available. Commissioner Kelly stated that he is hopeful to have another ten One-Stops established by June 30, 2006. He said that the goal is to keep the process simple.

X. Labor Market Information (LMI) Presentation

Todd Younkin, Bureau Chief of the Research and Analysis Bureau of the Department of Labor and Industry gave a presentation on LMI. The presentation included a copy of the annual Labor Day Report. Ms. Wall-McDonald asked if there were plans for a section of the Labor Day Report that would be specific to Indian reservation statistics. Mr. Younkin said that it would be in the 2006 report. Chairman Miles asked if the majority of information was gathered through surveys. Mr. Younkin said that it was, and that it included a telephone follow-up that has achieved a 90% return rate on most surveys. Karen Sullivan asked how the Research and Analysis Bureau works with the University of Montana. Mr. Younkin stated that there has been some exchange

between economists, but he's hoping for more collaboration. Ms. Sullivan asked if manufacturing in Montana was dead or dying. Mr. Younkin referred her to the economists in his work unit for specifics.

XI. SWIB Committees Discussion

Ms. Watson handed out a Committee Summary, and gave an overview of each committee. Chairman Miles said he will have the Executive Committee appointed and chairs of committees appointed within the next few weeks.

Desiree Taggart Memorial Award Selection Group

Chairman Miles asked for volunteers to serve on a selection team to review the Desiree Taggart Memorial Awards for Workforce Development. The volunteers were Dave Crum, Maureen Kenneally, and Arleen Parisot.

Mr. Beaudry asked where the Section 166 tribes would fit into the existing committees. Chairman Miles stated that new or additional committees could be set up as they are needed.

The Board recessed at 4:22 pm until Friday morning.

Friday, October 28, 2005

BOARD MEMBERS PRESENT: Chairman Dan Miles, John Beaudry, Rep. Arlene Becker, Dave Crum, Vice-Chairman Marty Copps, Thomas Curry, Michael DesRosier, Jacquie Helt, Keith Kelly, Maureen Kenneally, Sen. Lane Larson, Robbe Lindsay, Teresa Wall-McDonald, Rodney Miller, Arlene Parisot, Sen. Gary Perry, Gail Richardson, Alan Skari, and Linda Woods.

BOARD MEMBERS ABSENT: Shirley Ball, Even Barrett, Michael Grove, Kirk Hammerquist, Rep. Llew Jones, Julie Jordan, Jody Messinger, Joan Miles, Michael O'Neill, Tony Preite, John Prinkki, Jeff Rupp, Fred Sargeson, Karen Sullivan, and Don Taylor.

STAFF: Pam Watson, and Chris Wilhelm.

GUESTS: Cherelee Martin, Rebecca Clark, Mike Nephew, Janet Snowberger, Mary Danford, Mary Berg, Becky Bird, Leslie DeWitt, Stephanie Gray, Elissa Mitchell, Theresa McCarthy, and Roxanne Bullard.

The Board resumed at 8:10 am and continued the previous day's discussion on each of the committees.

Apprenticeship Advisory Committee

Mark Maki gave a presentation on the Apprenticeship Program. Senator Larson expressed concerns with the effectiveness of the pre-apprenticeship program, based on

his personal experience. Mr. Maki stated that the average age of an apprentice in Montana is 28 – 32. He said that the ideal pre-apprenticeship would be set up through high schools under direct supervision that would help direct students in making course choices. Linda Woods stated that Job Corps has several pre-apprentice programs that are very successful and she would like to expand. Senator Larson distributed copies of the GAO report. Mr. Beaudry asked what the difference is between joint and non-joint apprenticeships. Mr. Maki clarified that in a joint apprenticeship, both the apprentice and the employer pay the cost of training; in a non-joint apprenticeship, only the employer pays the cost of training. Mr. Beaudry asked if training was entirely on the job or partially in the classroom. Mr. Maki stated that it is mostly on-the-job, followed by some classroom time. Chairman Miles said that coordination is key. Both union and non-union apprenticeships need to be held to the same standards. Sheila Hogan from the audience asked about the representation of women and minorities in apprenticeships. Mr. Maki answered that 7 – 9% of apprentices are women, and that 7 – 9% of apprentices are minorities. Jackie Helt stated that this was a good opportunity. Ms. Woods said equal pay for women in apprenticeships should be ensured. Ms. Danford from the audience mentioned that the two funding streams, Carl Perkins and WIA discretionary money, were not maximized. She said there is the opportunity to impact women and minorities joining the workforce. Senator Perry asked how a female minority would be counted if females make up 7 – 9% of apprentices and minorities make up 7 – 9%. Mr. Maki answered that if the individual indicated that they were female and a minority, they would be counted in both categories.

One-Stop Development Committee

Mr. Reardon spoke about the Cut Bank One-Stop. Rebecca Clark, One-Stop manager for District 6, said that customer service should be standardized, and that certified workforce development professionals should be used in all One-Stops. Partnerships should be formed with CMT's, funding needs to be located and all partners need to contribute. She mentioned that a complication of web-conferencing is that it cannot be used with state computers because of firewalls that the State uses to protect their equipment. Commissioner Kelly stated that CMT structure would vary from community to community. It is not necessary to co-locate under the same roof to serve the customers. It could be a 'virtual' One-Stop. Regular meetings between partners, with reporting back to SWIB, would be important. Minimum mandatory partners are important, but may not be as large a hurdle as feared. Ms. Kearns stated that the Miles City One-Stop is not co-located in one building, but instead they go to the client. They have wonderful outreach. Ms. Berg, of the Butte One-Stop, was concerned that Districts 8 and 12 would be excluded. She wondered if the Butte One-Stop was still certified. Commissioner Kelly answered that they were not excluded and that they were still certified. He said that he thinks Dillon and Anaconda could create their own One-Stop. Chairman Miles said that the Workforce Systems committee might be able to work on bringing technology to the table. Ms. Clark clarified for Representative Becker that the hurdle with web-conferencing was in locating a computer that was not on the State network but does have internet access.

Economic Development and Business Retention Committee

Representative Becker was concerned that discretionary money would no longer exist. Commissioner Kelly clarified that originally 15% was given to the Governor for discretionary money and 85% was given to the local boards. Now, 85% will be given to the State Board, but the Governor will still retain the 15% set-aside. Ms. Parisot stated that in addition to the university system, the Board could look closely at the 2-year institutions. She said that the Office of the Commissioner of Higher Education (OCHE) performed surveys each year. These surveys may be of use to the committee. Chairman Miles would like to tie placement into agreements to ensure positions for participants. Ms. Wall-McDonald spoke about Montana's Temporary Assistance for Needy Families (TANF) bonus that is received each year for placement of TANF participants. Native American's are not counted in the totals that are used for the TANF bonus. She felt that Montana needed to maximize the money it receives.

Workforce System Committee

Al Eckblad spoke about the teleconferencing issue. He said that Ron Rides at the Door, from the Cut Bank Job Service, identified video conferencing as a way to reach rural clients. To establish a platform that will hold 10 links to one meeting is about \$150 per month. There is an additional setup cost of about \$900. This serves 100 participants. Headsets and microphones are about a \$65 investment. The camera that would project a meeting is less than \$200. Using this technology, he is able to host interviews that cross state lines, businesses can conference, and schools are already using this technology. Presentations can be loaded to a CD, then downloaded and linked for interactive presentations. By using chat boxes, a meeting attendee can keep teleconference members apprised of what is happening at a meeting. Mr. Curry wanted to know about the quality of the transmission. Mr. Eckblad stated that with dial-up it can get choppy and there will be a voice delay, but with DSL it is pretty smooth. Teleconference centers already exist in Havre, Glasgow and Billings. Robbe Lindsay stated that for the price of fuel reimbursements for one or two Board meetings, this setup could be purchased. This technology would help keep people on the same page. Wireless and DSL services are breaking into more areas. There are also less safety issues when attendees can 'tune in' rather than drive to meetings. Live polling is available, along with many other tools once a viewer is logged in. This is an option that would show communities that the Board cares about them because the technology will allow them to participate with the Board and State Government at a new level. Commissioner Kelly clarified that the regulatory part of this committee is just ensuring accountability. Gary Wright stated that as the Board and the State move through this transition period, his bureau monitors the funding. Their goal is to assist with technology as well.

Commissioner Kelly gave a presentation showing how education, workforce development and economic development all tie together with the SWIB.

XII. Old Business

Ms. Watson gave an update of the USDOL review of the Plan Modification. She reminded Board members that the agenda was prepared and distributed prior to the

plan modification being approved by the USDOL. She said that everyone should have received information from Commissioner Kelley stating the plan modification was approved. One waiver allowed the State Board to take over responsibilities of the local Boards. The second waiver allows statewide reporting. Ms. Childress clarified that each operator will still need to report their performance.

Commissioner Kelly gave an update of the USDOL Monitoring Report. The corrective action plan was due from the MT Department of Labor & Industry on September 7, 2005. The USDOL response was received October 24, 2005. The State has 30 days to finalize the report. He reminded members that due to the quick transition from Local Boards to the State Board, the State is committed to wrap up their monitoring issues within the next two weeks. His goal is to have issues finalized so that the State Board can cleanly accept responsibilities effective January 1, 2006.

XIII. Other Items

Chairman Miles was copied on a letter MACo sent to Governor Schweitzer stating that MACo still wants to be involved and wants a technical assistance grant so that they can have a technical liaison for a three-year contract. They have requested an \$111,000 per year grant. \$77,000 was for salary, equipment and postage. \$10,000 was for travel. An additional \$10,000 was for Commissioner travel, and \$14,500 for administrative overhead. Commissioner Kelly's response on behalf of Governor Schweitzer was that the cost-savings needed to go directly to workforce training, therefore the grant request was denied. He said that he had spoken with MACo, and advised that the State wants to ensure a good working relationship. The One-Stop committee will look at increasing local involvement and input.

Dave Crum, Mike DesRosier, Keith Kelly and Teresa Wall-McDonald had expressed an interest to Chair Miles in participating on the Section 166 Task Force. Chair Miles appointed them to a Section 166 Task Force.

The Board decided to postpone viewing of the training videos.

XIV. Next Meeting Dates and Training

The Board discussed meeting dates, and agreed upon January 19 and 20, 2006 and May 11 and 12, 2006. The January meeting's agenda will include MOUs, Consortium Agreements, RFP process, Youth Council and Committee Discussion.

VIV. Adjournment

The meeting adjourned at 11:35 am.

Dan Miles, Chairman

Date